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April 6, 2021

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk / Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

Re: South Carolina Energy Freedom Act (House Bill 3659) Proceeding Related to Duke Energy Carolinas, LLC for the Commission to Review the Community Solar Programs Established Pursuant to Act 236 of 2014 and to Solicit Status Information on Existing Programs from the Electrical Utility S.C. Code Ann. Section 58-41-40 (B)(1)
Docket No. 2019-210-E

South Carolina Energy Freedom Act (House Bill 3659) Proceeding Related to Duke Energy Progress, LLC for the Commission to Review the Community Solar Programs Established Pursuant to Act 236 of 2014 and to Solicit Status Information on Existing Programs from the Electrical Utility S.C. Code Ann. Section 58-41-40 (B)(1)
Docket No. 2019-211-E

Report Regarding Status of Community Solar Program Offerings

Dear Ms. Boyd:

On February 5, 2021, Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (together, the “Companies”) filed a letter with the Commission discussing its stakeholder engagement effort related to potential community solar program offerings under S.C. Code Ann. § 58-41-40(B)(2), enacted as part of Act 62 of 2019. The Companies had previously engaged stakeholders on these matters on January 14, 2021, and again engaged stakeholders on March 24, 2021 to continue exploring ways to develop community solar programs that are compliant with Act 62. This letter is being provided consistent with the Companies’ commitment in its February 5, 2021 letter to update the Commission following additional stakeholder engagement.

New community solar programs are discretionary on the part of the utility under Act 62. S.C. Code Ann. § 58-41-40(B)(2) (“[U]tilities . . . may propose new programs.”). As the Companies have described through their updates to the Commission in this docket, in determining whether to offer such programs, the Companies have sought



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April 6, 2021
Page: 2

stakeholder input. At its January 14, 2021 stakeholder meeting, the Companies received nearly two dozen comments and action items that it analyzed and researched. Stakeholders then reconvened on March 24, 2021 to again discuss these matters. Based on this discussion, and the Companies' experience implementing its existing community solar programs, the Companies believe that there is not currently a pathway for developing a community solar program that meets the requirements of S.C. Code Ann. § 58-41-40(C), which requires that participating customers be exclusively responsible for costs associated with community solar and that nonparticipating customers not be charged any of these costs. The Companies believe that customers would generally not be willing to participate in a community solar program that required them to pay a premium for participation.

However, as has been discussed in the stakeholder meetings, these challenges may be addressed in the future, depending upon action by the Biden administration through potential new federal policy initiatives, such as new tax credits, grants, or partnerships through federal government programs. The stakeholders have agreed to reconvene later in the year to discuss any potential policy changes that could impact community solar programs, and the Companies will provide an update to the Commission on any material changes to potential community solar program development.

Kind regards,

Sam Wellborn

C: Parties of Record (via email)
Heather Shirley Smith, Deputy General Counsel (via email)
Rebecca J. Dulin, Associate General Counsel (via email)